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Factors Influencing Leadership Self-Efficacy and their Effect on the Same among the Employees within the Manufacturing Engineering Industries



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ABSTRACT

This research investigates several elements that influence leadership selfefficacy and its impact on leadership self-efficacy. Developing leadership skills is progressively becoming a new approach for the team in charge of human resource development. Organisations look for employees who have self-efficacy who would take up their leadership positions effectively, which improves their group efficacy among the co-workers in the organisation. The data was collected between January and May 2019, from 695 employees occupying the Middle level and Junior level positions selected randomly from the organisations within the manufacturing engineering industries in the Coimbatore district. The factors included in this paper are Mentoring (NML), Learning Goal Orientation (LGO), Self-confidence (SC) and Culture that Supports change (CSC). The study concluded that mentoring and selfconfidence play an essential role among the factors in enhancing leadership self-efficacy. On the other hand, employees find it difficult to manage changes and uncertainties, as they receive low organisational support, which hinders their efficacy. Thus, the result suggests that organisations could have a more open corporate culture and climate, allowing more interactions. This may help many employees identify their mentors to grow with good leadership self-efficacy and improve their leadership skills.

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1.0 INTRODUCTION

Leadership prevails at every level of organisation, where each individual is expected to overcome the obstacles, changes, challenges, and perform well. When dealing with the need for leadership and traits or skills needed to develop, the study of self-efficacy becomes an important one. Employees have limited motivation to do challenging tasks unless they believe in themselves and

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their talents to attain their goals. In this way, the main reasons for doing a job must be based on the belief that one's actions will improve things (Bandura, 1997). Self-efficacy refers to a worker's confidence that they can effectively carry out the steps required to achieve an inevitable result (Bandura, 1977). Hence self-efficacy becomes the cornerstone of leadership.

Many articles have focused on the importance of self-efficacy and factors contributing to its development among the employees of various fields. In a report by Bandura (1986), self-efficacy theory has been extended to leadership. However, limited studies gave importance to studying factors that influence leadership self-efficacy. Concerning Albert Bandura's concept, the antecedents of self-efficacy theory are used to frame the factors that influence leadership self-efficacy. Strong and effective leadership is essential in every sector to ensure that the firms function effectively. Even the engineering industry is not exempt from these rules. Leadership is more than just directing a team or creating a schedule; it involves a wide range of skills and talents, and engineering leadership is a skill that can be used at every level. Engineering Industrial leadership roles demand specific skills and qualities that could be identified and developed for self-development and the organisation's development. They are stated by Akkansas State University, 2016 as:

- Ability to assess risk and take initiatives
- Delivering on time and taking prompt decisions in the face of obstacles and constraints
- Being flexible at times of changes and uncertainties

The economy is highly influenced by IT, Engineering & Textiles. As a result of the enormous textile industry in Coimbatore city, fueled by the neighbouring cotton fields, the city is referred to as the Manchester of South India. It is a leader in heavy engineering product manufacturing. It accounts for about USD 307.69 million worth of domestic pumps. The motor and pump sector in Coimbatore provides more than 40% of the country's demand. Coimbatore would be a possible and promising area to carry out the research. Thus, in particular, this study will examine the factors that influence Leadership Self-Efficacy (LSE) among the employees of managerial positions in engineering-based organisations in Coimbatore, Tamil Nadu, India.

2.0 LITERATURE REVIEW

Recently, the leaders faced a whole new set of problems because their organisations are struggling to keep up with ever-growing changes both inside and outside. Adapting to this kind of change puts pressure on leaders to expand their understanding of their leadership qualities and psychological resources to keep up with the ever-increasing demands of their positions. Bandura (1997) asserts that effectiveness is fundamental to leadership and its evolution because it is the most ubiquitous agency mechanism and serves as a basis for the operation of the other dimensions of the agency. Wood and Bandura (1989) defined self-efficacy as "a belief in one's capabilities to mobilise the motivation, cognitive resources, and courses of action needed to meet given demands". An individual's ability to effectively pursue demanding activities and opportunities depends on high self-efficacy (Carver and Scheier, 1998; Cropanzano et al., 1993; Lord and Brown, 2004; Mischel and Shoda, 1998; Shamir et al., 1993). Researchers have found that the motivational construct of self-efficacy impacts what people do, how they set goals, how hard they work, and how well they do at their jobs and other tasks (Wood & Bandura, 1989; Chemers, 2001). The meta-analysis by Stajkovic and Luthans (1988) indicated that self-efficacy was highly and positively correlated with job performance, but no research specifically addressed leadership performance (McCormick, 2002).

Leadership efficacy may be defined as a person's confidence in their abilities as a leader (Murphy, 1992; Hoyt *et al.*, 2003). Several factors influence leadership self-efficacy among employees, including organisational and individual characteristics.

The present paper focuses on the self-efficacy among the respondents in their managerial positions and the factors that enable their leadership self-efficacy. The elements included in this paper are Mentoring (NML), Learning Goal Orientation (LGO), Self-confidence (SC), and Culture that Supports Change (CSC).

3.0 RESEARCH METHODOLOGY

The population for the study includes the engineering sector in India. The present research felt the population was too exhaustive. Coimbatore has a cluster of organisations related to the engineering sector, as discussed in "Introduction". Hence, as a representation of the engineering product manufacturers in India, the study identifies its sampling frame as those companies manufacturing engineering products (both heavy and light) in the Coimbatore district. Consequently, the study identifies the companies registered with the CII and CPC within the boundaries of the Coimbatore district. The sample size employed is 695, and the sampling method used is simple random sampling. The sample for this research comprises the middle and junior level employees selected at random from the above organisations spread over the various departments. Data is collected during the period between January and May 2019.

4.0 ANALYSIS AND DISCUSSION

4.1 Percentage Analysis of Demographic Profile

The demographic factors included in the research are age, gender, marital status, education, designation, overall experience, and experience in the current organisation. A summary of the participants' characteristics is provided here as the first stage of data analysis.

Table 1 – Socio-economic Profile of the Participants

Socio-economic Profile	Variables	Percentage
	Below 25	10%
	26-35	40%
Age (in Years)	36-45	30%
	46-55	15%
	Above 55	5%
Gender	Male	74%
	Female	26%
	Married	72%
Marital status	Unmarried	24%
	Separated	4%
	UG Engineering	24%
	UG Arts and Science	21%
Educational qualification	UG Commerce and Management	16%
	PG Engineering	9%
	PG Arts and Science	15%

	PG Commerce and Management	10%
	PhD	5%
	Manager	39%
Designation	Executive	26%
	Assistant Manager	35%
Experience (years)	Less than 5	15%
	6-10	41%
	11-15	14%
	15-20	10%
	Above 20	19%
Experience in a current organisation (years)	Less than 5	30%
	6-10	41%
	11-15	17%
	15-20	6%
	Above 20	6%

Table 1 inferred that the maximum of participants was male, which accounted for 74%. Nowadays, many sectors like service, medical, education, academics, and IT have equally distributed male and female working populations. In being engineering sector female population is low when compared with other sectors. This study indicated no equal proportion of gender in the engineering sector. Among the 695 participants considered for the study, the majority of 277 participants belonged to the age group between 26-35 years, and the second being 211 participants belonged to the age 36-45 years. Only 35 participants are above 55 years of age. Concerning this study about leadership self-efficacy enhancement in an organisation, the younger generation and mostly male gender dominate in exhibiting their interest in taking up leadership activities. It is also inferred that 72% of the participants are married, and 24% are unmarried. Further, regarding educational levels, a maximum (24%) of the participants' qualifications is UG Engineering, followed by 21 % of participants' qualifications in UG Arts and Science. The reason could be that the participants belong to the manager level cadre, a technically oriented organisation (engineering sector), so the number of undergraduates is more when commerce and management. Regarding the designation of the participants, the majority of participants (39%) belong to the manager level, followed by 35% belonging to assistant managers. Since this study focused more on the manger level cadre of employees, the result came accordingly. By studying the inferences regarding participants' overall experience, 41% of the respondents have overall experience between 6 to 10 years, holding the majority. In contrast, only 10% of the respondents are between 15 to 20 years. This shows that a person with an average of 6 to 10 years of experience would believe in themself in taking up leadership activities in the organisation. Surprisingly, the second significant participants experience above 20 years of age. And, about the experience in the current organisation where they are currently working, 41% of the participants have experienced between 6 to 10 years and with the least 6 % belonging to the age group between 15 to 20 years and above 20 years. Thus, this study segment indicates that the proportion of young people is more than elders.

In a nutshell, this study about the factors enhancing leadership self-efficacy considers this demographic profile as a healthy environment since most of the participants are youngsters who belong to both technical and management parts of the organisation.

4.2 Regression Analysis

Regression analysis is carried out to find out which factors of Leadership self-efficacy (LSE) (independent variables) have a significant effect on Leadership self-efficacy (dependent variable). Table 2 represents the regression analysis between the factors influencing leadership self-efficacy and leadership self-efficacy.

Table 2 – Regression Analysis between Factors Influencing LSE and LSE

Items			lardised cients	Standardised Coefficients	t-Value	Sig.
		В	Std. Error	β		
	(Constant)	2.027	0.142		14.269	0.000
1	AVGSC	0.361	0.022	0.491	16.384	0.000
2	AVGNML	0.224	0.029	0.235	7.655	0.000
3	AVGCSC	-0.273	0.029	-0.304	-9.532	0.000
4	AVGLGO	0.183	0.024	0.243	7.536	0.000

a. Dependent Variable: AVGLSE

 $R^2 = 0.464$; Adj. $R^2 = 0.461$; F = 149.562; Sig. = 0.000

From Table 2, it is inferred that the adjusted R Square value is found to be 0.774, which implies that these factors have 46.1% variability over Leadership self-efficacy, and the regression model is significant (F= 149.562; p < 0.000). Among the factors taken up for the study, self-confidence $(\beta = 0.491; t = 16.384; p < 0.000)$ was the strongest positive influence on leadership self-efficacy. Selfconfidence is an ability to be certain about one's competencies and skills. It is more important to take up risks and accomplish high goals. Employees with high self-confidence can have more belief in making a difference by facing problems and dealing with them positively, which has influenced their leadership self-efficacy. Learning goal orientation (β = 0.243; t = 7.536; p<0.000) has the secondhighest positive influence over the leadership self-efficacy. Learning goal orientation helped the employees to seek feedback on their past performance to evaluate their current performance. This helps them motivate themselves to track their progress and develop productive habits, increasing their leadership self-efficacy to set higher goals for further improvement. Mentoring (β = 0.235; t = 7.655; p<0.000) also has the positive influence over the leadership self-efficacy. The employees believe their leadership self-efficacy increases by learning from their mentors' role modelling, which influences and inspires them to achieve higher goals. On the other end, Culture that's Supports Change $(\beta = -0.304; t = -9.532; p < 0.000)$ negatively influences the dependent variable leadership self-efficacy. This may be because changes create an uncomfortable feeling for the employees, as they sometimes fail to receive support from the organisational culture in which they work. This makes them feel low in taking up new initiatives, which decreases their leadership self-efficacy.

5.0 CONCLUSION

Self-efficacy is a belief one has in his abilities to accomplish things that he has never done before. Leadership self-efficacy deals with ones' efficacy to do something in leadership positions, including direction setting, overcoming obstacles, and gaining commitment. Developing leadership skills is progressively becoming a new approach for the team in charge of human resource development. Organisations look for employees who have self-efficacy who would take up their leadership positions effectively, which improves their group efficacy among the co-workers in the organisation. This study has managed to find out specific individual and organisational factors that

would enhance leadership self-efficacy among the employees. The study was successful in identifying some factors, i.e., Mentoring (NML), Self Confidence (SC), Learning Goal Orientation (LGO) and Culture that Supports Change (CSC). Among them, the culture that supports change tends to have a more negative influence. The study's findings concluded that self-confidence is essential in enhancing self-belief about skills, traits, and intuitions about taking up leadership attempts. This would strengthen leadership self-efficacy effectively. Many employees face difficulties taking up the changes and overcoming them, as they tend to get low support from the organisation. Thus, this study concludes that organisations would have a more open organisational culture and climate, allowing for more interactions. This may help many employees identify their mentors within the organisation for their growth, as mentoring also has a more substantial influence to improve their leadership self-efficacy.

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